

## Issue Brief – Utility Rate Increases

NUMBER UCAT-12

### **SUMMARY**

Costs for utilities at the UCAT campuses across the State have increased substantially in 2005, compared to 2004, while usage has remained relatively constant. For the ATCs that are in state-owned facilities, utility bills for 2004 compared to bills from 2005, have increased by \$76,000. These increased costs are covered, but are absorbed at the expense of educational programs.

### **OBJECTIVE**

Appropriations for increasing utility costs allow the UCAT campuses to provide an environment conducive to the education of students.

### **DISCUSSION AND ANALYSIS**

Although utility usage has not increased on the UCAT campuses, costs have increased. These increases were identified by comparing bills (both usage and costs) from 2004 and 2005. The bills in 2005 have increased by \$76,000. The increases, by institution are shown in the following table.

|              | <b><u>Electricity</u></b> | <b><u>Fuel</u></b> | <b><u>Total</u></b> |
|--------------|---------------------------|--------------------|---------------------|
| Bridgerland  |                           | \$50,400           | \$50,400            |
| Davis        | 9,900                     |                    | 9,900               |
| Ogden/Weber  | 3,900                     | 4,200              | 8,100               |
| Uintah Basin | 1,500                     | 6,100              | 7,600               |
| <b>Total</b> | <b>\$15,300</b>           | <b>\$60,700</b>    | <b>\$76,000</b>     |

This request uses 2004 as a beginning point and shows the actual increases incurred by the institutions in 2005 and forward.

The Analyst recommends that the Subcommittee discuss this concern and consider putting this item on its prioritization list for funding for both FY 2007 and as a supplemental for FY 2006.